

§ 256.924

of service, identity of the person furnishing the service, affiliation to the service company, and, if allocated to more than one company, the specific method of allocation.

§ 256.924 Property insurance.

(a) This account shall include the cost of insurance premiums to protect the service company against losses and damages to owned or leased property used in its operations. Recoveries from insurance companies or others for property damages shall be credited to the account charged with the cost of the damage. If the damaged property has been retired, the credit shall be to the appropriate account for accumulated provision for depreciation.

(b) Records shall be kept so as to show the amount of coverage for each class of insurance carried, the property covered, and the applicable premiums. Any dividends distributed by mutual insurance companies shall be credited to the accounts to which the insurance premiums were charged.

§ 256.925 Injuries and damages.

(a) This account shall include the cost of premiums for insurance to protect the service company against claims for injury, liability and damage claims of employees or others and losses of such character not covered by outside insurance.

(b) Reimbursements from insurance companies or others for expenses charged hereto on account of injuries and damages and insurance dividends or refunds shall be credited to this account.

§ 256.926 Employee pensions and benefits.

This account shall include pensions paid to or on behalf of retired employees, or payments for the purchase of annuities for this purpose, when the service company has committed itself to a pension plan under which the pension funds are devoted to pension purposes. This account shall also include payments made under employee benefit programs such as medical and surgical benefits, disability benefits, life insurance, savings and thrift plans, and other similar benefits. Include, also, expenses incurred in medical, edu-

17 CFR Ch. II (4-1-02 Edition)

cational or recreational activities for the benefit of employees.

§ 256.928 Regulatory commission expense.

This account shall include all expenses, properly includable in service company operating expenses, incurred by the service company in connection with formal cases before regulatory commissions, or other regulatory bodies, on its own behalf or on behalf of associated companies, including payments made to a regulatory commission for fees assessed to the service company for pay and expenses of such commission, its officers, agents and employees, and for filings or reports made under regulations of regulatory commissions. The service company shall be prepared to show the cost of each formal case.

§ 256.930.1 General advertising expenses.

This account shall include the cost of materials used and expenses incurred in advertising and related activities, the costs of which by their content and purpose are not provided for elsewhere.

ITEMS

1. Advertising in newspapers, periodicals, billboards, radio, etc.
2. Advertising matter such as posters, bulletins, booklets and related items.
3. Fees and expenses of advertising agencies and commercial artists.
4. Postage and direct mail advertising.
5. Printing of booklets, dodgers, bulletins, etc.
6. Supplies and expenses in preparing advertising materials.
7. Office supplies and expenses.

§ 256.930.2 Miscellaneous general expenses.

(a) This account shall include the cost of expenses incurred in connection with the general management of the service company not provided for elsewhere.

ITEMS

1. Industry association dues for company memberships.
2. Contributions for conventions and meetings of the industry.
3. Communication service not chargeable to other accounts.

Securities and Exchange Commission

§ 257.1

4. Trustee, registrar, and transfer agent fees and expenses.
5. Stockholders meeting expenses.
6. Dividend and other financial notices.
7. Printing and mailing dividend checks.
8. Directors' fees and expenses.
9. Publishing and distributing annual reports to stockholders.
10. Public notices of financial, operating and other data required by regulatory statutes, not including, however, notices required in connection with security issues or acquisitions of property.
11. Other general expenses not provided for elsewhere.

(b) Records shall be so maintained to permit ready analysis by item showing the nature of the expense and identity of the person furnishing the service.

§ 256.931 Rents.

This account shall include rents, including taxes, paid for the property of others used, occupied or operated in connection with service company functions. Provide subaccounts for major grouping such as office space, warehouses, other structure, office furniture, fixtures, computers, data processing equipment, micro-wave and telecommunication equipment, airplanes, automobiles, etc. The cost, when incurred by the lessee, of operating and maintaining leased property, shall be charged to the accounts appropriate for the expense as if the property were owned.

§ 256.932 Maintenance of structures and equipment.

This account shall include materials used and expenses incurred in the maintenance of property owned, the cost of which is includable in accounts 305 through 311, and of property leased from others. Provide subaccounts by major classes of structures and equipment, owned and leased.

PART 257—PRESERVATION AND DESTRUCTION OF RECORDS OF REGISTERED PUBLIC UTILITY HOLDING COMPANIES AND OF MUTUAL AND SUBSIDIARY SERVICE COMPANIES

AUTHORITY: 15 U.S.C. 79(o) and 79(t), unless otherwise noted.

§ 257.1 General instructions.

(a) *Scope of regulations.* The General Instructions and Schedule apply to any holding company, except an electric or gas utility company, registered as a holding company under the Public Utility Holding Company Act of 1935, and to companies found by the Commission, pursuant to §250.88 to meet the requirements of section 13 of the Act as mutual or subsidiary service companies.

(1) Company means a service company subject to §250.93, or a holding company subject to §250.26, which is not an electric utility company or a gas utility company, and any predecessor or inactive or dissolved associate company, the records of which are in the possession or control of such company.

(2) Records include any records prepared, maintained or held by any agent or employee of a company, including any such records of a stock transfer agent, registrar, paying agent, indenture trustee or other person employed by a company to perform services with respect to the securities of the company, insofar as such person is accountable to the company or to its security holders for such records. The specification in the schedule of a record related to a type of transaction includes all documents and correspondence, not redundant or duplicative of other records retained, needed to explain or verify such transaction. Supporting documents such as checks or vouchers, which are separately scheduled may, nevertheless, be destroyed in accordance with the schedule for their respective class, when the company determines that the lapse of time has made it unlikely that it will need to prove the details evidenced thereby.

(3) Any company subject to this regulation, which, as agent, operator, lessor or otherwise, maintains or has possession of any records relating to the operation, property or obligations of an electric or gas utility company or natural gas company or a nuclear licensee, as defined in the Federal Power Act,

Sec.

257.1 General instructions.

257.2 Schedule.